

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of An Investigation into the        )  
Intrastate Switched Access Rates of All        ) Administrative Case No.  
Kentucky Incumbent and Competitive         ) 2010-00398  
Local Exchange Carriers                         )

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**RESPONSES OF CINCINNATI BELL TELEPHONE COMPANY LLC TO DATA  
REQUESTS OF TWTC, LEVEL 3 AND PAETEC (PUBLIC VERSION)**

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Pursuant to the Procedural Schedule contained in Appendix A to the Commission’s March 10, 2011 Order (“*Order*”), Cincinnati Bell Telephone Company LLC (“CBT”) hereby responds to the First Set of Data Requests submitted by tw telecom of kentucky, llc (“TWTC”), Level 3 Communications, LLC (“Level 3”), and US LEC of Tennessee L.L.C. d/b/a PAETEC Business Services (“PAETEC”).

**GENERAL OBJECTIONS**

CBT objects to all data requests submitted to it on the grounds that it has adopted the price regulation plan set forth in KRS 278.543 effective July 12, 2007 and, therefore, its intrastate access charges were deemed to be just and reasonable under KRS 278.030 upon election and CBT is exempt from the ratemaking procedures in KRS 278.190, KRS 278.260 and KRS 289.270. Therefore, the Commission is without jurisdiction to change CBT’s intrastate access rates. Notwithstanding its objections, CBT hereby responds to the data requests solely for informational purposes and reserves all rights to object to any effort to change any of its rates through this proceeding.

CBT further objects to the data requests as calling for the disclosure of confidential and proprietary business information belonging to CBT and which qualifies as a trade secret. CBT will

provide this information subject to the terms of a protective agreement acceptable to CBT.

**RESPONSES TO DATA REQUESTS**

1. State your switched access minutes, by month, for the past five years.

**RESPONSE:**

Jan 2006	redacted	Sep 2008	redacted
Feb 2006	redacted	Oct 2008	redacted
Mar 2006	redacted	Nov 2008	redacted
Apr 2006	redacted	Dec 2008	redacted
May 2006	redacted	Jan 2009	redacted
Jun 2006	redacted	Feb 2009	redacted
Jul 2006	redacted	Mar 2009	redacted
Aug 2006	redacted	Apr 2009	redacted
Sep 2006	redacted	May 2009	redacted
Oct 2006	redacted	Jun 2009	redacted
Nov 2006	redacted	Jul 2009	redacted
Dec 2006	redacted	Aug 2009	redacted
Jan 2007	redacted	Sep 2009	redacted
Feb 2007	redacted	Oct 2009	redacted
Mar 2007	redacted	Nov 2009	redacted
Apr 2007	redacted	Dec 2009	redacted
May 2007	redacted	Jan 2010	redacted
Jun 2007	redacted	Feb 2010	redacted
Jul 2007	redacted	Mar 2010	redacted
Aug 2007	redacted	Apr 2010	redacted
Sep 2007	redacted	May 2010	redacted
Oct 2007	redacted	Jun 2010	redacted
Nov 2007	redacted	Jul 2010	redacted
Dec 2007	redacted	Aug 2010	redacted
Jan 2008	redacted	Sep 2010	redacted
Feb 2008	redacted	Oct 2010	redacted
Mar 2008	redacted	Nov 2010	redacted
Apr 2008	redacted	Dec 2010	redacted
May 2008	redacted	Jan 2011	redacted
Jun 2008	redacted	Feb 2011	redacted
Jul 2008	redacted	Mar 2011	redacted
Aug 2008	redacted		

2. Provide your average interstate and intrastate switched access charges per minute, by month for the past five years.

**RESPONSE:**

<u>Month</u>	<u>Interstate</u>	<u>Intrastate</u>			
			Aug 2008	redacted	redacted
Jan 2006	redacted	redacted	Sep 2008	redacted	redacted
Feb 2006	redacted	redacted	Oct 2008	redacted	redacted
Mar 2006	redacted	redacted	Nov 2008	redacted	redacted
Apr 2006	redacted	redacted	Dec 2008	redacted	redacted
May 2006	redacted	redacted	Jan 2009	redacted	redacted
Jun 2006	redacted	redacted	Feb 2009	redacted	redacted
Jul 2006	redacted	redacted	Mar 2009	redacted	redacted
Aug 2006	redacted	redacted	Apr 2009	redacted	redacted
Sep 2006	redacted	redacted	May 2009	redacted	redacted
Oct 2006	redacted	redacted	Jun 2009	redacted	redacted
Nov 2006	redacted	redacted	Jul 2009	redacted	redacted
Dec 2006	redacted	redacted	Aug 2009	redacted	redacted
Jan 2007	redacted	redacted	Sep 2009	redacted	redacted
Feb 2007	redacted	redacted	Oct 2009	redacted	redacted
Mar 2007	redacted	redacted	Nov 2009	redacted	redacted
Apr 2007	redacted	redacted	Dec 2009	redacted	redacted
May 2007	redacted	redacted	Jan2010	redacted	redacted
Jun 2007	redacted	redacted	Feb 2010	redacted	redacted
Jul 2007	redacted	redacted	Mar 2010	redacted	redacted
Aug 2007	redacted	redacted	Apr 2010	redacted	redacted
Sep 2007	redacted	redacted	May 2010	redacted	redacted
Oct 2007	redacted	redacted	Jun 2010	redacted	redacted
Nov 2007	redacted	redacted	Jul 2010	redacted	redacted
Dec 2007	redacted	redacted	Aug 2010	redacted	redacted
Jan 2008	redacted	redacted	Sep 2010	redacted	redacted
Feb 2008	redacted	redacted	Oct 2010	redacted	redacted
Mar 2008	redacted	redacted	Nov 2010	redacted	redacted
Apr 2008	redacted	redacted	Dec /2010	redacted	redacted
May 2008	redacted	redacted	Jan 2011	redacted	redacted
Jun 2008	redacted	redacted	Feb 2011	redacted	redacted
Jul 2008	redacted	redacted	Mar 2011	redacted	redacted

3. For 2010, what was your company's total intrastate switched access revenue, by rate element, from all recurring switched access rate elements billed (including switched dedicated elements that are priced on a flat-rate basis)?

**RESPONSE:**

<u>Revenue</u>	<u>Rate Element</u>
\$ redacted	INTRA-P CMN MUX CHRG
\$ redacted	INTRA-P CMN TRK PRT CHRG
\$ redacted	INTRAS/INTERL-800 QUERY
\$ redacted	INTRAS/INTERL-CCL-P(O)/H
\$ redacted	INTRAS/INTERL-CCL-P(T)
\$ redacted	INTRAS/INTERL-INFO SUR-P
\$ redacted	INTRAS/INTERL-LOC SW 2-P
\$ redacted	INTRAS/INTERL-LT CRIC-P
\$ redacted	INTRAS/INTERL-LT DRIC-P
\$ redacted	INTRAS/INTERL-LT FAC-P
\$ redacted	INTRAS/INTERL-LT TDM-P
\$ redacted	INTRAS/INTERL-LT TERM-P
\$ redacted	INTRAS/INTRAL-LT DRIC-P

4. For each rate element identified in Request #3 above, provide the intrastate billed demand for each rate element for 2010.

**RESPONSE:**

<u>Units</u>	<u>Rate Element</u>
redacted	INTRA-P CMN MUX CHRG
redacted	INTRA-P CMN TRK PRT CHRG
redacted	INTRAS/INTERL-800 QUERY
redacted	INTRAS/INTERL-CCL-P(O)/H
redacted	INTRAS/INTERL-CCL-P(T)
redacted	INTRAS/INTERL-INFO SUR-P
redacted	INTRAS/INTERL-LOC SW 2-P
redacted	INTRAS/INTERL-LT CRIC-P
redacted	INTRAS/INTERL-LT DRIC-P
redacted	INTRAS/INTERL-LT FAC-P
redacted	INTRAS/INTERL-LT TDM-P
redacted	INTRAS/INTERL-LT TERM-P
redacted	INTRAS/INTRAL-LT DRIC-P

5. Identify any differences in rate structure between your interstate and intrastate switched access tariffs.

**RESPONSE:**

The following rate elements appear in the interstate switched access tariff only. Otherwise, the rate structure is the same.

- Signaling for Tandem Switching
- Carrier Identification Parameter (CIP)
- IP STP Port 1.5 Mbps Termination
- IP STP Port 3.0 Mbps Termination
- IP STP Port 4.5 Mbps Termination
- IP STP Port 6.0 Mbps Termination

6. Provide a comparison of your interstate and intrastate switched access rates by rate element for 2009 and 2010.

**RESPONSE:**

See chart on following page.

## FCC No 35

## PSCK No. 2

<u>Rate Element</u>	<u>12 31 2009 Rate</u>	<u>12 31 2010 Rate</u>	<u>12 31 2009 Rate</u>	<u>12 31 2010 Rate</u>
INTERCONNECTION CHARGE				
ORIGINATING NON-TRANSPORT PROVIDED ACCESS				
PREMIUM	\$0.00	\$0.00	\$0.005916	\$0.005916
TRANSITIONAL	\$0.00	\$0.00	\$0.000296	\$0.000296
LOCAL SWITCHING(LS1) PREM	\$0.0036714	\$0.0038625	\$0.005404	\$0.005404
LOCAL SWITCHING(LS2) PREM	\$0.0036714	\$0.0038625	NA	NA
TRANSITIONAL(LS) NPREM	\$0.001738	\$0.001738	NA	NA
CIP	\$105.00	\$105.00	NA	NA
DIRECTORY ASSISTANCE	\$0.30	\$0.30	\$0.30	\$0.30
800 DATABASE QUERIES	\$0.002391	\$0.002391	\$0.002400	\$0.002400
800 ROUTING OPTIONS CAPABILITY	\$0.000200	\$0.000200	\$0.000200	\$0.000200
DS0 END OFFICE TRUNK PORTS	\$6.17	\$6.51	\$6.17	\$6.17
COMMON TRUNK PORT	\$0.000968	\$0.000968	\$0.000978	\$0.000978
CCS/SS7 STP PER PORT	\$886.68	\$886.68	\$889.75	\$889.75
1.544 STP PER PORT	\$3,550.00	\$2,130.00	NA	NA
STP 1.5 Mbps CHARGE PER PORT	\$3,550.00	\$2,130.00	NA	NA
STP 3.0 Mbps CHARGE PER PORT	\$7,100.00	\$7,100.00	NA	NA
STP 4.5 Mbps CHARGE PER PORT	\$10,650.00	\$10,650.00	NA	NA
STP 6.0 Mbps CHARGE PER PORT	\$14,200.00	\$14,200.00	NA	NA
DIR-TANDEM SW TERMINATION	\$0.000200	\$0.000200	\$0.000200	\$0.000200
DIR- TANDEM SW FACILITY	\$0.000100	\$0.000100	\$0.000100	\$0.000100
DIR-TANDEM SWITCHING	\$0.001168	\$0.001168	\$0.001168	\$0.001168
DIR-COMMON TRANSPORT MUX	\$0.000100	\$0.000100	\$0.000100	\$0.000100
TANDEM SW TERMINATION	\$0.000600	\$0.000600	\$0.000600	\$0.000600
TANDEM SW FACILITY	\$0.000117	\$0.000117	\$0.000102	\$0.000102
TANDEM SWITCHING	\$0.002001	\$0.002001	\$0.0028452	\$0.0028452
COMMON TRANSPORT MUX	\$0.000240	\$0.000240	\$0.000240	\$0.000240
DEDICATED MUX-DS3 TO DS1	\$0.000000	\$0.000000		
DS0 TANDEM TRUNK PORTS	\$6.17	\$6.17	\$6.17	\$6.17
ENTR. FACILITY - VOICE 2-WIRE	\$31.00	\$31.00	\$31.00	\$31.00
ENTR. FACILITY - VOICE 4-WIRE	\$49.60	\$49.60	\$49.60	\$49.60
DIRECT TRNK FIXED - VOICE	\$61.00	\$61.00	\$61.00	\$61.00
DIRECT TRNK PER MILE - VOICE	\$0.64	\$0.64	\$1.25	\$1.25
ENTR. FACILITY - DS1 MONTHLY	\$135.79	\$135.79	\$135.79	\$135.79
ENTR. FACILITY - DS1 36 MONTH	\$129.00	\$129.00	\$129.00	\$129.00
ENTR. FACILITY - DS1 60 MONTH	\$122.21	\$122.21	\$122.21	\$122.21
DIRECT TRNK FIXED - DS1	\$100.00	\$100.00	\$113.37	\$113.37
DIRECT TRNK PER MILE - DS1	\$9.42	\$9.42	\$12.50	\$12.50
MUX - DS1 TO VOICE	\$285.45	\$285.45	\$285.45	\$285.45
CCS/SS7 - CT 1.544 MBPS	\$135.79	\$135.79	\$135.79	\$135.79
CCS/SS7 - 1.544 MBPS FIXED	\$100.00	\$100.00	\$113.37	\$113.37
CCS/SS7 - 1.544 MBPS PER MILE	\$9.42	\$9.42	\$12.50	\$12.50
ENTR. FAC. - DS3	\$1,500.00	\$1,500.00	\$1,800.00	\$1,800.00
DIRECT TRNK FIXED - DS3	\$703.48	\$703.48	\$800.00	\$800.00
DIRECT TRNK PER MILE - DS3	\$80.00	\$80.00	\$90.00	\$90.00
MUX - DS3 TO DS1	\$678.02	\$678.02	\$678.02	\$678.02
CCS/SS7 - CT 56.0 KBPS	\$70.00	\$70.00	\$70.00	\$70.00
CCS/SS7 - 56.0 KBPS CMF	\$60.72	\$60.72	\$61.00	\$61.00

7. Provide a year-end income statement and balance sheet for your company for the past five years.

**RESPONSE:** CBT does not have a Kentucky-specific income statement or balance sheet. For total company income statements and balance sheets see: <http://investor.cincinnati-bell.com/phoenix.zhtml?c=111332&p=irol-reportsAnnual>.

8. Provide the return on equity and return on rate base — total company and Kentucky intrastate only — for each year for the past five years.

**RESPONSE:** CBT does not allocate equity among the states in which it operates, so only a total company return on equity can be calculated.

Year	Total Company Return on Equity	Total Company Return on Rate Base	Kentucky Intrastate Return on Rate Base
2006	62.8%	40.7%	8.2%
2007	56.5%	42.5%	26.6%
2008	58.2%	48.5%	20.4%
2009	58.0%	49.1%	24.5%
2010	39.6%	49.6%	13.4%

9. State the number of access lines subscribing to stand-alone basic local service (that is, without any additional optional features or services, including DSL) at year end, for each of the past five years.

**RESPONSE:**

2006	redacted
2007	redacted
2008	redacted
2009	redacted
2010	redacted

10. Does your company or an affiliate provide DSL? If the answer is yes, provide:
- a. The number of residential and business lines that subscribe to DSL service;
  - b. The average monthly price for DSL for 2011; and
  - c. If an affiliate provides DSL, how the ILEC company is compensated (including structure and level) for the use of the local loop to provide DSL.

**RESPONSE:** CBT objects to this data request because DSL is a non-regulated service outside the authority of the Commission. Notwithstanding CBT's objection, CBT does offer DSL service.

- a. Year-end 2010: redacted
- b. CBT is unable to calculate an average monthly price for DSL because various rate and discount structures apply to bundled services and CBT does not assign a specific amount to DSL service within a bundle.
- c. N/A

11. What is the monthly recurring price (at year-end 2010) and number of units sold (during calendar year 2010) for each bundle or package that includes basic local service?

**RESPONSE:**

	<u>Price</u>	<u>Units</u>
<u>Residence Local Service Bundles</u>		
Complete Connections		
Bands 1 and 3	37.95	redacted
Band 4	47.00	redacted
Home Phone Pak (Grandfathered)		
Bands 1 and 3	32.99	redacted
Band 4	42.00	redacted
Home Phone Pak 2 (Grandfathered)		
Bands 1 and 3	32.99	redacted
Band 4	42.00	redacted
Home Pak Lite (All Bands)	25.00	redacted
Home Pak Advantage (All Bands)	30.00	redacted
<u>Business Bundles</u>		
Business Complete Connections	69.95	redacted
Business Phone Pak	54.95	redacted
Total Access		



3 Lines	190.40	redacted
4 Lines	250.50	redacted
5 Lines	310.65	redacted
6 Lines	370.75	redacted
7 Lines	430.90	redacted
8 Lines	491.00	redacted
9 Lines	551.15	redacted
10 lines	611.50	redacted
11 Lines	671.40	redacted
12 Lines	731.50	redacted
13 Lines	791.65	redacted
14 Lines	851.75	redacted
15 Lines	911.90	redacted

Note: The prices shown are the standard month-to-month prices for the local service components of the bundle and do not include any charges or additional discounts that may apply when adding long distance or non-regulated services, or any promotional or contractual discounts. The units shown are the sum of the end of month quantities for January 2010 through December 2010. These units include customers with contractual or promotional discounts.

12. State the current level of basic local service and the corresponding interstate SLC, assuming no additional features are purchased by the customer.

**RESPONSE:** CBT objects to this data request as vague and ambiguous as it is unclear what is meant by “current level of basic local service.” CBT’s current basic local service rates are available in its tariff on file with the Commission. CBT’s current interstate SLC is \$5.24.

13. Provide your average revenue per residential and switched access line for each of the past five years, including all revenues for optional retail services in the numerator. Identify all additional features and services for which revenues were collected in each year.

**RESPONSE:** CBT objects to this data request as vague and ambiguous as it is unclear what categories of revenue are being requested or what is meant by “per residential and switched access line.”

14. With respect to the access revenue shift estimate and numbers you filed with the Commission on or about April 15, 2011, provide all workpapers for each such estimate or number, including spreadsheets, calculations, and input data.

**RESPONSE:**

redacted